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UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

— — —

UNITED STATES OF AMERICA,  
  
Plaintiff,  
  
v.  
  
ANTHONY ADAMS,  
  
Defendant.  
  
\_\_\_\_\_/

SENTENCE  
BEFORE THE HONORABLE TERRENCE G. BERG  
United States District Judge  
Theodore Levin United States Courthouse  
231 West Lafayette Boulevard  
Detroit, Michigan  
Thursday, November 4, 2021

APPEARANCES:

For the Plaintiff: Mark Chasteen  
U.S. Attorney's Office  
211 W. Fort Street, Suite 2001  
Detroit, MI 48226  
(313) 226-9100  
  
For the Defendant: Ben M. Gonek  
Ben Gonek Law, P.C.  
14290 Northline Road  
Southgate, MI 48195-1820  
(313) 963-3377

To obtain a copy of this official transcript, contact:  
Robert L. Smith, Official Court Reporter  
(313) 234-2612 • robert\_smith@mied.uscourts.gov

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1 Detroit, Michigan

2 Thursday, November 4, 2021

3 at about 10:12 a.m.

4

— — —

5 (Court, Counsel and Defendant present.)

6 THE CASE MANAGER: The Court now calls

7 Case No. 18-20641, United States of America v. Defendant II,

8 Anthony Adams.

9 Counsel, please place your appearances on the  
10 record.

11 MR. CHASTEEN: Good morning, Your Honor.

12 Mark Chasteen for the United States.

13 THE COURT: Mr. Chasteen.

14 MR. GONEK: Good morning, Your Honor. Ben Gonek  
15 appearing on behalf of Anthony Adams, who's seated to my  
16 right.

17 THE COURT: And good morning to you, Mr. Gonek.  
18 Good morning, Mr. Adams.

19 THE DEFENDANT: Good morning.

20 THE COURT: All right. Well, today is the day that  
21 we have set for the sentencing in this matter, so I wanted to  
22 go over a few things and make sure that Mr. Adams knew what  
23 to expect.

24 So, Mr. Adams, we're going to have a hearing to  
25 determine what your sentence should be here, and as part of

1 that, we will go over the presentence report that was  
2 prepared, we'll make sure that you've had a chance to review  
3 that with your lawyer, and if there was anything in there  
4 that was incorrect, you can bring that to the Court's  
5 attention and we will address that.

6 I'm also going to go over with you what the  
7 different factors are that the Court must consider in  
8 determining what the sentence should be, because there's a  
9 federal statute that sets out these factors, it also includes  
10 the sentencing guidelines. We'll go over those sentencing  
11 guidelines and make sure you understand what those are.

12 I'm also going to give your lawyer an opportunity  
13 to say whatever he would like to say on your behalf. I will  
14 give you an opportunity to say what you want to say, and I  
15 will listen to that. And I will also give the government an  
16 opportunity to address the Court.

17 And so after we go through all of that, then I will  
18 go through all of those different factors, explain how they  
19 relate to the case, and then I'll indicate what the sentence  
20 will be.

21 Do you think you understand what's going to happen?

22 THE DEFENDANT: Yes, sir.

23 THE COURT: Very good. Let me ask about the  
24 presentence report first. Did you have a chance to review  
25 the presentence report with your lawyer?

1 THE DEFENDANT: Yes, sir.

2 THE COURT: Okay. Mr. Gonek, in reviewing it with  
3 Mr. Adams, did you see any mistakes in there or anything that  
4 you think needs to be corrected?

5 MR. GONEK: Your Honor, I learned of one  
6 minor -- one thing that needs to be corrected. It wasn't the  
7 fault of anyone. It was after the presentence report was  
8 prepared and after the time for filing of objections had  
9 lapsed, Mr. Adams learned that he does have another daughter.  
10 There was a paternity test done, and he has another daughter,  
11 that's 11 years old.

12 THE COURT: All right. And so in terms of the  
13 information that is in the report about his family, let's  
14 make sure that it is accurate. And so the number of children  
15 that Mr. Adams has is, then, how many?

16 MR. GONEK: Three.

17 THE COURT: Three?

18 MR. GONEK: Three biological children.

19 THE COURT: Okay. All right. And if you could  
20 provide that information to Ms. Berry, the probation officer,  
21 then we can have that corrected.

22 MR. GONEK: I will. And just one other family  
23 situation as it relates to Mr. Adams. At the time the  
24 presentence report was prepared, Mr. Adams was engaged. That  
25 engagement has broke off, and he is now engaged to a woman by

1 the name of Raven Clemons, who is present today, but I will  
2 e-mail that information to Ms. Berry, as well.

3 THE COURT: All right. Thank you very much. I did  
4 receive a letter from Ms. Clemons and so I was aware of that.  
5 Thank you for clarifying that point. We can make sure that  
6 his family information is accurate.

7 Was there anything else?

8 MR. GONEK: In terms of the report, no, it's  
9 accurate, Your Honor.

10 THE COURT: All right. And so do you agree with  
11 that, then, Mr. Adams, with those changes that were  
12 mentioned?

13 THE DEFENDANT: Yes, sir.

14 THE COURT: And what about you, Mr. Chasteen?

15 MR. CHASTEEN: Nothing more, Your Honor. Thank  
16 you.

17 THE COURT: All right. So the defendant in this  
18 case, Mr. Adams, did enter a guilty plea previously. You  
19 probably remember that, Mr. Adams, on July 12th, 2019. And  
20 in that plea, you pled guilty to the charges against you  
21 without any written Rule 11 plea agreement. We often will  
22 have a written plea agreement, but in your case you did not  
23 have a plea agreement. And the charges that you pled guilty  
24 to were conspiracy to commit wire fraud, and that had a  
25 30-year maximum penalty -- up to 30 years, and a \$250,000

1 fine.

2 The second count you pled guilty to was conspiracy  
3 to commit money laundering, and that had a maximum penalty of  
4 up to 20 years, and a \$500,000 fine, or twice the value of  
5 the property involved.

6 And then you also pled guilty to a number of other  
7 counts, Counts 5 through 8, that were all what we call  
8 aggravated identity theft counts, and that statute requires a  
9 mandatory two-year sentence that must be consecutive to any  
10 other sentence. So, in other words, it has to be added on  
11 top of whatever the other sentence.

12 Now, although you've had several different  
13 convictions for that, so you had Counts 5, 6, 7, 8, so you  
14 had four separate convictions, we don't add those all up. So  
15 it is not two years plus two plus two -- it's just -- it has  
16 to be at least two years more, so they can be concurrent with  
17 each other.

18 Do you understand, you think, what your maximum  
19 possible penalties would be here?

20 THE DEFENDANT: Yes.

21 THE COURT: Now, the federal law also provides for  
22 guidelines to apply, and so these guidelines are one of the  
23 factors the Court has to consider. They are not mandatory;  
24 in other words, the Court does not have to sentence you to a  
25 term within those guidelines, but they are one of the

1 factors.

2 And in this case, this summer, on July 15, 2021,  
3 according to the report, you had entered into a sentencing  
4 agreement that contained a calculation of those sentencing  
5 guidelines. And so I guess I'd like, just for clarity -- we  
6 can have Mr. Chasteen, if you want, to indicate what those  
7 guidelines are in that agreement.

8 MR. CHASTEEN: Yes, Your Honor. The agreement that  
9 the parties entered into called for a sentencing guidelines  
10 range on Counts 1 and 2 of between 97 and 121 months  
11 imprisonment. I would note, specifically, that there are  
12 guidelines worksheets that were attached to that agreement,  
13 and those guidelines include enhancements for a loss of more  
14 than \$1.5 million, 10 or more victims, sophisticated means  
15 and production of counterfeit access devices in arriving at  
16 the offense level calculated for the guidelines.

17 Those were previously in dispute and were going to  
18 be the subject of an evidentiary, contested hearing, but  
19 prior to that hearing, we came to an agreement and resolved  
20 those sentencing guidelines offense characteristics by means  
21 of the agreement that the Court has referred to.

22 In addition to the guidelines for Counts 1 and 2,  
23 as the Court can has already indicated, there's an  
24 additional 24 months, required to be consecutive to whatever  
25 sentence the Court imposes on Counts 1 and 2, bringing the



1 total guidelines range to 121 to 145 months.

2 I would note the parties also agreed Mr. Adams'  
3 criminal history category being a Category 3.

4 THE COURT: All right. Well, thank you very much  
5 for that explanation, Mr. Chasteen.

6 And, Mr. Gonek, in listening to that, does that  
7 reflect an accurate presentation of what the agreement was?

8 MR. GONEK: Yes, sir.

9 THE COURT: All right. So the parties did enter  
10 into this agreement that the guidelines to be applied are as  
11 described a moment ago. And I noted that in the presentence  
12 report, the calculation that the probation officer determined  
13 was the same as what the parties had determined. In other  
14 words, the guidelines range of 121 to 145 months. Again,  
15 keeping in mind, that guideline range involves the guidelines  
16 for Counts 1 and 2, plus two years added on to that, so  
17 Counts 1 and 2 would have a guidelines range of 97 to  
18 121 months and then you have to add on the two years to each  
19 end of that, and that's how you come up with the 121 to 145.

20 And so, because of the fact that I reviewed this  
21 presentence report and all of the facts that are in it, and  
22 those facts, I think, do support the guidelines range that  
23 was reached by the parties, and that's a guidelines range  
24 that has that loss amount that was mentioned, that has the  
25 ten or more victims, that has sophisticated means being used,

1 and production of fraudulent devices, and that's how they  
2 came up with the base offense level and the total offense  
3 level of 28, and then you have a Criminal History Category 3,  
4 and that's where that guidelines range comes from.

5 And so I will accept the sentencing agreement that  
6 you reached with the government and I will be bound by that  
7 in determining what the sentence should be. As I said  
8 before, when I say I'm bound by that, I'm bound in the sense  
9 that that is the correct guideline calculation, but it is up  
10 to the Court to determine what the sentence should be, and  
11 the sentence could be below that if the Court believes that's  
12 appropriate, but it couldn't be any higher than that, because  
13 the parties have agreed, in the sentence agreement, that the  
14 sentence wouldn't be any higher than that. And so that's the  
15 point I wanted to go over regarding the sentencing agreement.

16 And then I want to now go over those different  
17 factors that I told you govern the Court's sentencing  
18 considerations, because there's a statute called Title 18,  
19 United States Code, Section 3553(a), and these are the  
20 different factors I have to consider.

21 So I have to consider the nature and circumstances  
22 of the offense; in other words, all the surrounding  
23 circumstances and the facts of the crime and how serious it  
24 is.

25 I have to consider the need for this sentence to

1 reflect the seriousness of the offense and also promote  
2 respect for the law and provide for a just punishment.

3 I also need to avoid what we call unwarranted  
4 sentencing disparities, and that means we need to avoid  
5 sentencing people differently if their underlying crimes and  
6 their backgrounds and their criminal histories are really the  
7 same.

8 I also need to consider what we call deterrence,  
9 and deterrence means discouraging people from committing  
10 crimes. So I need to try to impose a sentence that would be  
11 sufficient to discourage others who might be considering  
12 committing this kind of crime from doing so, because they  
13 would see that it's a very serious crime.

14 I also need to consider the need to protect the  
15 public, and also, I have to consider any special needs a  
16 person might have, such as a need for drug treatment or  
17 mental health treatment or any kind of addiction-related  
18 treatment. I have to consider all of those different things  
19 in determining what the sentence should be.

20 So, Mr. Adams, do you understand that I do have to  
21 consider all of those different things?

22 THE DEFENDANT: Yes, sir.

23 THE COURT: All right. Part of this case also  
24 involves restitution, because this is a case involving  
25 financial fraud, where money was essentially gained through

1 fraudulent means and misrepresentations by using counterfeit  
2 or so-called cloned credit cards, and so there was loss that  
3 was significant here. And I think we should go over that as  
4 well, so the record is clear what that is.

5 And so, Mr. Chasteen, given the fact that sometimes  
6 new information is gathered prior to the sentence -- in  
7 between the plea and the sentence, do you want to address the  
8 issue of restitution and how much that would be?

9 MR. CHASTEEN: Yes, Your Honor. The restitution  
10 amount is, I think, set forth in the PSR as well, but it's  
11 also set forth in our sentencing memorandum at page 12, and  
12 that is restitution of \$336,000 to Walmart, and \$1,603,476.80  
13 to AT&T jointly -- to be paid jointly and severally with the  
14 other codefendants in this case.

15 THE COURT: All right. Thank you very much.

16 And, Mr. Gonek, is that your understanding, too, as  
17 to the restitution amount?

18 MR. GONEK: Yes, sir.

19 THE COURT: Okay. Very good.

20 All right. Well, I think we've covered the matters  
21 that I need to cover in terms of making sure we are  
22 consistent with what the sentencing agreement was in this  
23 case and also that Mr. Adams understands the different  
24 factors that I need to consider.

25 And so at this point, Mr. Gonek, I will give you

1 the opportunity to address the Court. And I did want to also  
2 make it clear that both of the attorneys in this case  
3 submitted detailed sentencing memoranda to the Court, and  
4 these are essentially legal briefs that are somewhat lengthy  
5 and contain their arguments as to what the sentence should be  
6 and references to the law and references to the facts. And  
7 in Mr. Gonek's case, they also included a number of letters  
8 from supporters, family members, friends of yours, Mr. Adams.  
9 And I wanted you to know that I read all of that information.  
10 I read the information in the brief. I read the letters, as  
11 well as your letter, I read all of that. And I also read the  
12 government's memorandum.

13 So, Mr. Gonek, you may address the Court. You can  
14 come up to the lectern here and I will be happy to hear from  
15 you.

16 MR. GONEK: Thank you, Your Honor.

17 I just -- first of all, I want to point out there  
18 was a miscommunication between Mr. Adams and myself in terms  
19 of what my ultimate recommendation was in the sentencing  
20 memorandum. Fortunately, we, at the last minute, had a  
21 meeting and were talking about the sentence that I would  
22 recommend, and Mr. Adams -- and he's given me permission to  
23 say this -- has asked that I recommend a sentence of five  
24 years, and when I heard that, I believe that I did say, well,  
25 there's an additional two years on top of that for the

1 aggravated identity theft, but he wanted me to request five  
2 years, total. I requested, I believe 84 months in the  
3 sentencing memorandum, but I did want to bring that out to  
4 the Court, initially.

5           Your Honor, I know the Court has read my sentencing  
6 memorandum. In terms of the offense itself, this was a  
7 serious offense, there's no doubt about that. I mean, it was  
8 a sophisticated offense. It went over a period of time. It  
9 happened in different states. And everything the government  
10 said about the offense is correct. I mean, it's absolutely  
11 mind boggling that Walmart would allow this to happen for the  
12 length of time that they did and not suspect something based  
13 on the amount of the gift cards that were purchased -- or the  
14 amounts on the gift cards. But, nonetheless, that doesn't  
15 help Mr. Adams, that just refers to Walmart and how they may  
16 not be the most sympathetic victim in this case, but  
17 nevertheless, they are a victim, and nevertheless, this was a  
18 serious offense.

19           But in looking at Mr. Adams' background, it's easy  
20 to understand how he got to stand before you or how come he's  
21 here today. Mr. Adams, by all accounts, was raised by a very  
22 good woman, his mother, Sabrina Adams, and she gave birth to  
23 him at a young age. She was a hard worker. She's -- you  
24 know, when I talk to her, she is always coming from work or  
25 going to work, and she has a very good work ethic. And she

1 gave Mr. Adams what he needed as a child. Unfortunately, he  
2 didn't have a father figure in the household to be there, but  
3 she did the best she could, and she provided for his basic  
4 needs and a loving home. He was certainly not subject to any  
5 abuse.

6 But as a young man, Mr. Adams developed what is a  
7 gambling problem, and sometimes gambling problems or gambling  
8 addictions can be worse than drug addictions, because with  
9 drugs or alcohol, your body gives out at a certain point.  
10 Unfortunately, a number of people die from those addictions,  
11 but your body gives out. With gambling, your body doesn't  
12 give out. And there's an adrenaline rush that happens and  
13 you become desperate and you do desperate things. And I have  
14 even read studies where, a lot of times, gambling addicts  
15 will gamble regardless of how much money that they have, just  
16 for that adrenaline rush.

17 And the nature of the offense here, what was going  
18 on in terms of these credit cards, I'm sure produced the same  
19 type of adrenalin rush for Mr. Adams. And Mr. Adams, as this  
20 Court knows, that's one of the reasons he is detained, he has  
21 had three prior contacts, as it relates to felonies involving  
22 fraud-related offenses, and he's never received any real  
23 punishment for those offenses.

24 He had a case in Wayne County, where he was  
25 immediately given probation. He had a case down in

1 South Carolina that involved Walmart stores, where he  
2 essentially got a slap on the wrist and maybe did, like,  
3 three months. And then he had a felony case out in  
4 Las Vegas, where I don't think he did, initially, much time,  
5 but he ultimately did six months on a parole violation. But  
6 those were three offenses where the consequences to his life  
7 were not that significant.

8           When he got arrested on this case, you taught him  
9 the best life lesson by saying, unlike a lot of other fraud  
10 defendants who get released on pretrial detention, you're not  
11 getting out, because you just don't listen, you don't follow  
12 court orders, and you've been involved in this criminality  
13 and you've really never learned from it, and he was detained  
14 over three years ago.

15           Now, unknown to the Court or unknown to us,  
16 subsequently, thereafter, I think we went through the worse  
17 time in my lifetime, of a medical pandemic, and Mr. Adams  
18 sustained some real difficult pretrial conditions.

19           Initially, he was at Midland for a brief period of  
20 time, where the conditions there, although it's a very clean  
21 facility, he was on lockdown for about 20 hours a day. He  
22 then was at Mount Pleasant for nearly two years, where he was  
23 on lockdown, essentially, all the time, and never got to go  
24 outside, never got to have in-person visits with his family,  
25 and it was -- and he was a long ways away from his family.



1 And then he was transferred to Milan, at the -- during the  
2 middle of the pandemic.

3 During that time, he acquired COVID. As the Court  
4 knows, he does have some health conditions that made -- when  
5 he had COVID, you know, it had a severe impact on him. He  
6 has been immunized, since recovering from COVID.

7 And then while he was incarcerated at Milan, he  
8 had -- he wasn't -- his medications were not being  
9 administered properly, and he had a low potassium count that  
10 resulted in him being hospitalized for, I think, just about  
11 week. I have attached the e-mails and the report showing the  
12 hospitalization at the University of Michigan, but, you know,  
13 it was -- that was a very traumatic experience for his  
14 family, not knowing what happened, and also Mr. Adams not  
15 being in contact or being able to tell his family what  
16 happened.

17 And when we -- with the help of the government, we  
18 finally figured out what was going on and they were  
19 notified -- everybody was notified. Fortunately, Mr. Adams  
20 recovered, and he's back at Milan. And he's only got to see  
21 his children, in person, in the past three years, on two  
22 different occasions.

23 Those conditions have been an eye-opening  
24 experience for him. Even after his initial detention, we had  
25 three motions before Your Honor to revoke the order of

1 detention, and on each occasion, you rightfully said no. And  
2 that's the best thing that you probably did for  
3 Mr. Adams -- I mean, you did for Mr. Adams, because after you  
4 said no, he didn't say appeal to the Sixth Circuit like  
5 Mr. O.D. Williams did, he just said, let's get the case  
6 resolved. I've got to deal with this, I've got to get back  
7 to my family, and move on with my life and stop the childish  
8 nonsense that I've been involved in -- or the nonsense that  
9 I've -- or the criminality that I've been involved in. And  
10 it was a real eye-opening experience for him.

11 He has goals. He wants to become a trucker and,  
12 hopefully, own his own trucking company some day. And even  
13 though when he pled guilty, he did so without the benefit of  
14 a Rule 11 plea agreement, there were extensive discussions  
15 about working out the sentencing agreement that we ultimately  
16 worked out. And as the Court can recall, we worked it out on  
17 the day of the evidentiary hearing, before the other two  
18 defendants who were also making the same challenges or  
19 similar challenges, and after Mr. Anthony Adams worked it  
20 out, the other two followed suit.

21 You know, Anthony had decided the hearing is what  
22 he believed a waste of time and he just wanted to get  
23 sentenced and get this and start the road to rehabilitation.

24 I would ask the Court to take that into  
25 consideration when it imposes sentence, because the

1 conditions of pretrial confinement have been horrific on him.  
2 I mean, he has endured a substantial punishment, which I  
3 think weighs in favor of a more lenient sentence.

4 In terms of other needs for Mr. Adams, gambling  
5 addiction, like I said, is a horrible addiction, and he would  
6 certainly benefit by counseling in the Federal Bureau of  
7 Prisons, maybe some behavioral cognitive therapy -- cognitive  
8 behavioral therapy, I should say, and perhaps even RDAP,  
9 because at one point in his life, he was addicted to  
10 Percocets, as pointed out in the presentence report -- or  
11 taking Percocets.

12 By all accounts, Mr. Adams has a very close  
13 relationship with his family. Even though he's had children  
14 by a couple different women, he has good relationships with  
15 them, because he sees the whole picture, these relationships  
16 with his children.

17 This experience for him has been, like I said,  
18 completely eye opening. And I think you have taught him the  
19 best life lesson that could possibly be taught about where to  
20 put his priorities, and it is being back with his family and  
21 taking care of his family in a law-abiding fashion.

22 As such, I would ask the Court to fashion a  
23 sentence which, you know, takes into account all the factors  
24 the Court considers -- or has to consider, but really looking  
25 at the conditions of confinement that he has sustained for

1 the past three years -- or over the past three years.

2 Thank you.

3 THE COURT: Thank you very much, Mr. Gonek.

4 All right. So, Mr. Adams, I would be happy to hear  
5 from you at this time. You can come up to the lectern here  
6 if you would like, and I would be happy to hear whatever you  
7 would like to say.

8 THE DEFENDANT: How you doing? I'd just like to  
9 rely on my letter that I sent you.

10 THE COURT: Yes. Thank you. I did read that  
11 letter carefully. And thank you for that letter. I thought  
12 it was very thorough, and I certainly did read it, and I'm  
13 considering everything you said in there. But you are  
14 perfectly welcome to say anything else that you would like to  
15 say.

16 THE DEFENDANT: No, sir. That's all. Thank you.

17 THE COURT: Okay. Thank you, sir.

18 THE DEFENDANT: Thank you.

19 THE COURT: You can be seated.

20 All right. So, Mr. Chasteen, I would be happy to  
21 hear from you, as well.

22 MR. CHASTEEN: Thank you, Your Honor.

23 I know that from our prior sentencing hearings with  
24 some of the other codefendants in this case, the Court is  
25 very, very aware of the facts of this case and the

1 seriousness of the offense and has articulated that in prior  
2 sentencings. I'm not going to belabor that.

3 But I did want to address one comment that  
4 Mr. Gonek said, and that was his expression of surprise that  
5 Walmart let it go on as long as it did. And, you know,  
6 possibly Walmarts could have taken steps, generally, to  
7 prevent this kind of fraud, this punching in of numbers at  
8 the cashiers, but Mr. Gonek went on to say that they didn't  
9 suspect what was going on, and that's just not borne out by  
10 the facts of the case. In fact, Walmart spent a considerable  
11 amount of resources and time investigating this case, trying  
12 to figure out who was doing this to their stores nationwide,  
13 and that extensive investigation is, in fact, reflected in  
14 the PowerPoint exhibit that was presented to this Court  
15 previously, and cited in our memorandum connected as an  
16 exhibit to court filing ECF No. 200.

17 So, you know, if the effort is to make Walmart  
18 appear as though it was not doing anything to address this  
19 case, I think that's just wholly inaccurate. They, in fact,  
20 really spent a tremendous amount of time with a dedicated  
21 investigative team to track down who was doing this to them,  
22 and ultimately, that led to, in conjunction with the FBI's  
23 investigation, the charges and arrests against Mr. Adams and  
24 his codefendants. So I don't think the effort and resources  
25 that Walmart put into investigating this case should be

1 minimized in any way.

2 Really, so I just would like focus on Mr. Adams,  
3 himself. And as the Court has previously found, in denying  
4 Mr. Adams' prior motions for release, as referenced by  
5 Mr. Gonek, Mr. Adams does pose a danger to the public as  
6 borne out by his prior record, and that's what the Court  
7 noted in its prior decisions, three times denying Mr. Adams'  
8 request for release.

9 Mr. Gonek cites, you know, the slaps on the wrists  
10 that Mr. Adams received as somehow, you know, being at fault  
11 for him not taking it seriously, when he presented himself to  
12 the criminal justice system.

13 I always find it odd when defense counsel argue  
14 that prior, ineffective leniency is a reason for further  
15 leniency. If anything, what it shows is that exactly,  
16 frankly, what happened in this case is that defendants  
17 such -- or fraudsters such as Mr. Adams learned that if they  
18 got caught on any individual case, the consequences were  
19 likely very low, so it was a reason to keep going, keep  
20 going, keep hitting store after store after store, and it was  
21 very high-reward/low-risk enterprise.

22 And what this case represents is an opportunity to  
23 change that calculus. That when somebody commits widespread  
24 fraud, such as Mr. Adams and his codefendants in this case,  
25 there has to be a very high risk. It's not a call for future

1 continued leniency.

2           They learned all the wrong lessons from those prior  
3 slaps on the wrists, as Mr. Gonek said, and that calls for  
4 this Court to impose a very serious sentence, especially when  
5 you have someone who is as clearly dedicated to fraud and  
6 committing crime after crime, both in prior cases and in this  
7 case, as Mr. Adams is.

8           Essentially, what Mr. Adams is asking this Court to  
9 do is invest in his representations to the Court that he's a  
10 changed man, that he's not going to do this anymore, that  
11 he's going to set whatever reasons he had for doing it aside.  
12 He said there was a gambling addiction.

13           You know, we hear in the world of investing that  
14 past performance is not a guarantee of future results, but it  
15 is a pretty good indication. And it is a very good  
16 indication in this case, that what Mr. Adams will do it when  
17 he is not under court supervision. Even when he's been under  
18 court supervision, he has continued to offend.

19           And so to protect the public from people like  
20 Mr. Adams, who are committed to a lifestyle of fraud, the  
21 Court needs to impose a very serious and lengthy sentence.  
22 That is why the government has asked for a sentence that is  
23 at least at the bottom of the guidelines range.

24           Now, we have recognized that the other defendants  
25 who have been sentenced in this case, Aatif Brown,

1 Toriano Adams and O.D. Williams, received below guidelines  
2 sentences, and that's really the only reason why we are  
3 recommending a sentence at the bottom of the range here, just  
4 to move Mr. Adams' sentence somewhat closer to the prior  
5 defendants.

6 But in the government's view, there is no reason to  
7 impose a sentence below the guidelines range in this case,  
8 and that would send actually the wrong message that this is  
9 not a serious offense, it's not as serious as Congress and  
10 Sentencing Guidelines Commission have deemed it to be by the  
11 guidelines that the parties have agreed on in this case.

12 Accordingly, the government does ask the Court  
13 impose a sentence at least at the bottom of the guideline  
14 range for Mr. Adams, which would be 97 months on Counts 1  
15 and 2, plus 24 months on Counts 5 through 8.

16 Thank you.

17 THE COURT: All right. Thank you very much,  
18 Mr. Chasteen.

19 All right. Well, so in this matter we have  
20 recommendations that are very far apart here, with the  
21 recommendation that Mr. Gonek has indicated of five years,  
22 which in his brief he also explained that he had said that it  
23 should be really, initially he thought, seven years, because  
24 five years plus the mandatory two years, but then the fact  
25 that his client requested him to advocate for five years, and



1 then we have the government suggesting at the low end of the  
2 guidelines range here, which would be 121 months and that's  
3 ten years. And so that's a broad range between those two  
4 possible recommendations; one is double of the other.

5 And I think part of the reason that this is  
6 happening is because the guidelines, here, are quite high.  
7 The guidelines are very high. To some extent, they are high  
8 even without the two years added on, but they are -- they are  
9 high because of the loss amount, and they are high because of  
10 the number of victims, they are high because of all of the  
11 other factors that make them high.

12 And so I have to consider the nature and  
13 circumstances of the offense; that's the first factor. And  
14 in this case, the offense is extremely serious. This is a  
15 nationwide fraud scheme that, just in the case of Mr. Adams'  
16 conduct, stretched across six different states, from  
17 Oklahoma, Nebraska, Missouri, Kentucky, North Carolina and  
18 Maryland, on some, really, hundreds of different  
19 occasions, 35 of which were specifically mentioned in the  
20 indictment, each time going into the store and buying these  
21 gift cards using counterfeit credit cards. So first the  
22 scheme would involve making phony credit cards with real  
23 people's names and numbers on them, and then going into the  
24 Walmarts and purchasing these gift cards in large amounts;  
25 each time they would go in they might get \$1,500 worth, they

1 might get as many as \$22,000 worth, according to the  
2 presentence report. For instance, on two separate days in  
3 October 2016, \$55,800 worth were purchased.

4           So the kind of fraud that it is is extremely  
5 serious and extremely widespread, and so -- and then it also  
6 evolved into another kind of scheme, where the defendants  
7 were purchasing iPhones using stolen account information of  
8 individuals who had cellphone accounts, and that they had  
9 purchased a total of someone 1,495 phones and resold them.  
10 That's a lot of -- that's a lot of phones, and according to  
11 the report, it is as much as \$1.5 million in loss from those,  
12 essentially, stolen phones, phones that were purchased  
13 without the real authorization of the accountholders.

14           And so there's no question that the kind of scheme  
15 that this is is extremely serious. It is very far beyond  
16 what we normally see in credit card fraud cases.

17           Then it leads into the next area that I have to  
18 consider, which is Mr. Adams' character and his history.  
19 That history has to include if he has any criminal history.  
20 Mr. Gonek pointed out that he does have several previous  
21 convictions for credit card related offenses. Both attorneys  
22 have mentioned those prior convictions. And to me, frankly,  
23 they do deserve a fair amount of weight here, in considering  
24 what Mr. Adams' sentence should be. And that's because,  
25 going back to 2014, when Mr. Adams was first convicted of

1     forgery credit card and debit card in Las Vegas, that offense  
2     involved the defendant and some six other individuals and  
3     that they had a large number of credit cards that were  
4     recovered, some 19 different credit cards. But as has been  
5     pointed out, the penalty that he received or the sentence was  
6     not very great; he had a sentence of 12 to 32 months that was  
7     suspended, essentially, so he didn't serve any time and then  
8     got a probationary sentence, so that meant no jail time. And  
9     then later he violated the probation that he had on that, so  
10    he did have some penalty, but not very significant for that  
11    first offense.

12             And then in 2015, again, he had a financial  
13    transaction device fraud case where he was caught at the  
14    airport with some 36 different cards in his boot or boots, I  
15    guess, and received a six-month sentence for that.

16             And then later in that same year, he had a  
17    financial transaction device forgery conviction in South  
18    Carolina and received 72 days for that. And that appears to  
19    have been similar to this offense and may have been part of  
20    the same offense, because one of the codefendants in this  
21    case was also involved in that incident and it also involved  
22    Walmart.

23             And so the concern that I have is that these kind  
24    of convictions were the opportunity that Mr. Adams had to try  
25    to get back on the right track, but he didn't -- he didn't do

1 so at that time.

2           There are also a number of arrests that he has,  
3 which I don't give very much weight to, because they don't  
4 involve any kind of finding by a jury, for instance, that  
5 Mr. Adams has committed what he was arrested for. But some  
6 of these arrests are assaultive arrests, that is some what  
7 concerning to the Court, and then there are two that also  
8 relate to fraud. But as I say, I can't give those very much  
9 weight, but they are part of the facts that are before the  
10 Court.

11           In terms of other aspects of Mr. Adams' character,  
12 I do recognize that he has had a very supportive mother, a  
13 hard working mother, as Mr. Gonek has pointed out, that he,  
14 therefore, benefited from a stable home environment, although  
15 he didn't have his father in his life.

16           He moved out of mom's home at a relatively early  
17 age, at age 17, to live with his brothers, which may not have  
18 been the best choice, in retrospect, because they were both  
19 -- two of them were codefendants in this case. He did not  
20 have the best opportunity in terms of education, because he  
21 didn't complete his high school education. He ended up not  
22 being able to complete that. It's unclear to me whether  
23 Mr. Adams has achieved his GED or not. Mr. Gonek, I believe  
24 you said he did?

25           MR. GONEK: I believe, oh, no, I was under the

1 impression he did. He did not.

2 THE COURT: So he still needs to focus on his  
3 education and try to make sure that he can get that degree of  
4 education that will help him in terms of job opportunities  
5 and kind of getting a more stable life moving forward.

6 I have read through, as I mentioned, a number of  
7 the letters that were submitted and were very positive on  
8 Mr. Adams' behalf from his mom, for example, Ms. Adams, wrote  
9 a very positive letter. Ms. Armstrong wrote a letter on  
10 behalf of him, as well. Ms. Clemens did, and also Mr. Adams'  
11 letter itself.

12 And as I mentioned, Mr. Adams, I did read in there  
13 that you feel very remorseful, that you have indicated  
14 several times that you are very sorry that you got involved  
15 in this offense. You mentioned your addiction to gambling,  
16 and that's in the presentence report, as well, and I think  
17 that does appear to be part of what may have been motivating  
18 you to be involved in this activity, this criminal activity,  
19 because you were making a lot of money from this, and if you  
20 had either gambling debts or just the desire to gamble, this  
21 would have been a way to generate the cash that would enable  
22 you to do that.

23 So I have considered all of these things about your  
24 background, as well, but I also have to assess some of those  
25 others factors, such as the need to provide for deterrence

1 and also to protect the public. To me, in this case, the  
2 deterrence is important. So deterrence, as I mentioned  
3 before, is discouraging people from committing crimes. And  
4 if you have a serious crime like this, that involves  
5 nationwide scope, that involves a large number of people,  
6 involves over a million dollars, between 1.5 million  
7 and 3.5 million, you have to have a serious sentence  
8 associated with that, which will make certain that, when  
9 people become aware of the kind of sentence that you received  
10 for this kind of conduct, that it will discourage people from  
11 committing this kind of crime and going down the road that  
12 Mr. Adams has gone down in this case. So deterrence is very  
13 important here.

14 I did compare Mr. Adams' prior criminal history  
15 with that of the other defendants who have been sentenced so  
16 far. All of the defendants have some prior criminal  
17 histories in this case, and some of them had one or even two  
18 prior criminal convictions for credit card fraud. But  
19 Mr. Anthony Adams has the most part of convictions for credit  
20 card fraud, so the kind of warning that he had received was  
21 greater than the others, and that's part of the consideration  
22 that I have to take into account regarding the deterrence.

23 And I also have to consider -- that's why I'm  
24 mentioning the other defendants, the need to avoid what we  
25 call unwarranted sentencing disparities. That means we need

1 to avoid sentencing people differently if their crimes are  
2 similar and their backgrounds are similar. There is a  
3 database that's available from the Sentencing  
4 Commission -- the United States Sentencing Commission, that  
5 makes it possible to search and compare the offense level and  
6 the criminal history category the person has, with sentences  
7 that have been given across the country, where they search  
8 the last five years, and so I did that in this case. So if  
9 you have an offense level of 28 and Criminal History  
10 Category 3 and guideline range of 97 to 121 months. The  
11 average sentence in the last five years, according to this  
12 database, is 104 months, and the median sentence is 97  
13 months. The difference between those two is averaged, just  
14 adds up all the sentences and divides them by the numbers,  
15 and the median takes the middle of those.

16 Now, there isn't a very large group here, that they  
17 had who was in this category; there were only five, so this  
18 is not that representative of a number of individuals to  
19 consider it to something that should be given a lot of  
20 weight, but I thought I would mention that, because it is  
21 part of what I have to consider in terms of disparity.

22 I think, here, the comparison between the  
23 individual defendants is probably more important. And all of  
24 the defendants in this case have received between 84  
25 and 96 months, and so a sentence that is in that range would

1 be one that is consistent with the need to avoid unwarranted  
2 disparities.

3           Now, I have also listened to what Mr. Gonek has  
4 said about the conditions that Mr. Adams suffered while he  
5 was in prison -- while he was in pretrial detention, I should  
6 say. And certainly, that is a consideration that is worth  
7 thinking about, because if you're doing what you might call  
8 harder time than what one might consider it to be more of a  
9 punishment than if you don't have the kinds of difficulties  
10 that Mr. Adams had. But the other individuals in this case,  
11 many of them have been detained as well, and so I can't give  
12 too much weight to that. And so, although I do believe that  
13 a sentence that is below the guideline range here is  
14 appropriate.

15           I don't think a sentence as low as what Mr. Gonek  
16 is asking for is sufficient. I have to consider each case  
17 individually and try to impose a sentence that's sufficient,  
18 but not greater than necessary, to accomplish all the goals  
19 of sentencing. And so in doing so, I need to consider all of  
20 those different factors that I have mentioned.

21           And so in this case, part of the reason that I  
22 would go below the guideline range sought by the government  
23 is the inclusion of the mandatory two years here, to me, is  
24 not appropriate -- I think it ends up with a sentence that is  
25 far greater than what is necessary to accomplish these goals.



1 The guidelines range, without those additional two years, is  
2 closer to what I think would be appropriate.

3         Considering all of these different factors, the  
4 Court believes that a sentence for Mr. Anthony Adams in this  
5 case, of 72 months, which would be for Counts 1 and 2,  
6 followed by 24 months on the other Counts 5 through 8, would  
7 be sufficient, but not greater than necessary. So that's the  
8 sentence that I intend to impose. Before I do so, I want to  
9 ask each side if they wish to place any objections on the  
10 record?

11         MR. CHASTEEN: No, Your Honor. We made our  
12 sentencing recommendation. Obviously, we don't agree with  
13 that sentence, but we have no additional comments.

14         THE COURT: Understood. Okay. Mr. Gonek?

15         MR. GONEK: I would just echo the same comments,  
16 Your Honor.

17         THE COURT: All right. Thank you very much.

18         Pursuant to the Sentencing Reform Act of 1984, the  
19 Court, considering the sentencing guidelines and factors  
20 contained in 18, United States Code, 3553(a), hereby commits  
21 the defendant to the Bureau of Prisons for a term  
22 of 72 months custody on Counts 1 and 2, to run concurrently,  
23 and 24 months on Counts 5 through 8, to run concurrently with  
24 each other, but consecutively to Counts 1 and 2.

25         Upon release from imprisonment, the defendant shall

1 be placed on supervised release for a term of two years on  
2 Counts 1 and 2, and one year on Counts 5 through 8, all  
3 counts to run concurrently.

4 It is further ordered the defendant shall pay a  
5 special assessment of \$100 on each count, for a total  
6 of \$600, which would will be due immediately.

7 The Court waives the imposition of a fine, the cost  
8 of incarceration and cost of supervision due to the  
9 defendant's lack of financial resources.

10 While in custody, the defendant shall participate  
11 in the inmate financial responsibility program, or IFRP. The  
12 Court is aware of the requirements of this program and  
13 approves the payment schedules of this program and hereby  
14 orders the defendant's compliance.

15 It is further ordered that the Court -- it is  
16 further ordered that the defendant shall pay a total  
17 of \$1,939,475.80 in restitution, which will be joint and  
18 several with the other defendants. Restitution is payable to  
19 the Clerk of Court for distribution to the victims, Walmart  
20 for \$336,000, and AT&T for \$1,603,476.80, which will be due  
21 immediately. Interest shall not accrue.

22 Mandatory drug testing is ordered.

23 Pursuant to Title 34, United States Code, 40702,  
24 the defendant shall cooperate with the collection of a DNA  
25 sample as directed by the probation officer.

1           While on supervision, the defendant shall abide by  
2 the standard conditions as adopted by the U.S. District Court  
3 for the Eastern District of Michigan, and shall comply with  
4 the following special conditions:

5           Based on the type of this instant offense and the  
6 actions of the defendant, the following special conditions  
7 are ordered.

8           Number one, you must participate in a cognitive  
9 behavioral treatment program and follow the rules and  
10 regulations of that program. The probation officer will  
11 supervise your participation in the program, in terms of its  
12 provider, location, modality, duration, intensity, et cetera,  
13 and such programs may include group sessions led by a  
14 counselor or participation in a program administered by  
15 probation office.

16           Number two, you must submit your person, property,  
17 house, residence, vehicles, papers, computers, and other  
18 electronic communications or data devices or media or office  
19 to a search conducted by a U.S. probation officer. Failure  
20 to submit to a search may be grounds for revocation of  
21 release.

22           You must warn any other occupants of any residence  
23 or location where you are living that they may be subject to  
24 searches pursuant to this condition.

25           Number three, you must submit your computers or any

1 other electronic communication devices or data storage  
2 devices or media to a search.

3           Because the defendant has failed to graduate from  
4 high school or obtain his GED, the following special  
5 condition is ordered: Number four, you must participate in  
6 an educational service program and follow the rules and  
7 regulations of that program. Such programs may include high  
8 school equivalence preparation, or other classes designed to  
9 improve your proficiencies and skills, such as reading,  
10 writing, mathematics or computer use.

11           Based on the defendant's self-assessed gambling  
12 addiction, the following special condition is ordered.

13           Number five, you must participate in a gambling  
14 addiction treatment program, and follow the rules and  
15 regulations of that program. The probation officer will  
16 also, again, supervise your participation in the program in  
17 all the different ways that I previously mentioned.

18           Due to the defendant's past prescription pill  
19 abuse, the following conditions are ordered.

20           Number six, you must submit to substance abuse  
21 testing to determine if you have used a prohibited substance.

22           Number seven, you must participate in a substance  
23 abuse treatment program and follow the rules and regulations  
24 of that program. The probation officer, in consultation with  
25 the treatment provider, will, again, supervise your

1 participation in this program in all the ways that I have  
2 described.

3 Due to the restitution order, the following special  
4 conditions are also ordered.

5 Number eight, you must pay the financial penalty in  
6 accordance with the schedule payment sheet of this judgment.  
7 You must also notify the Court of any changes in any economic  
8 circumstance you have that might affect your ability to pay  
9 this financial penalty.

10 Number nine, you must provide the probation officer  
11 with access to any requested financial information and  
12 authorize the release of any financial information. The  
13 probation office may share this financial information with  
14 the U.S. Attorney's Office.

15 And number ten, you must not incur new credit card  
16 charges or open additional lines of credit without the  
17 approval of a probation officer.

18 So that is the sentence of the Court. Is there a  
19 recommendation, Mr. Gonek, with respect to the location of  
20 confinement?

21 MR. GONEK: There is, Your Honor. Because of my  
22 client's alleged strong family ties to this community, we are  
23 asking the Court to recommend Milan.

24 THE COURT: The Court does recommend that Mr. Adams  
25 be allowed to serve his sentence at the federal correctional

1 institution at Milan, Michigan. I should make it clear that  
2 that decision about where a defendant is placed is ultimately  
3 up to the Bureau of Prisons, rather than the Court. However,  
4 they will frequently and often take the Court's  
5 recommendation in making their determination, and so I'm  
6 happy to make that recommendation.

7           You also asked that he be allowed to be considered  
8 for the RDAP program, which is residential drug abuse  
9 treatment program. Is that the case?

10           MR. GONEK: Yes.

11           THE COURT: I will make that part of judgment, that  
12 I recommend that program. It is a very good program. It has  
13 a lot of track record of success.

14           Now, Mr. Adams, you did not have a plea agreement  
15 in this case, so you could appeal this sentence and  
16 conviction if you wanted to -- yes, sir.

17           MR. GONEK: Your Honor --

18           THE COURT: Is that in the sentencing agreement?

19           MR. GONEK: In the sentencing agreement, there was  
20 a waiver of the appeal.

21           THE COURT: I see. Okay. Very good. Even though  
22 there was a waiver in your sentence agreement, where you gave  
23 up your right to appeal this as long as it was no greater  
24 than what the agreement said, and in this case, it is not  
25 greater, so you probably would not be able to appeal, even if

1 you wanted to, because you gave up your right to appeal. If  
2 you still wanted to appeal, you would need to do so  
3 within 14 days of the date that the written judgment is  
4 issued. Do you understand that?

5 THE DEFENDANT: Yes, sir.

6 THE COURT: Okay. Very good.

7 All right. Is there any objection that either  
8 party wishes to place on the record to the sentence that was  
9 rendered in open court?

10 MR. GONEK: No, Your Honor.

11 MR. CHASTEEN: No, Your Honor.

12 THE COURT: Very good. So that completes our  
13 sentencing in this case. And I would just like to say,  
14 Mr. Adams, as I said, I read your letter carefully. I  
15 certainly do hope that everything that you said in there  
16 is 100 percent true, and that you do want to get your life  
17 turned around and really avoid any kind of criminal activity  
18 going forward, and that certainly is the hope of the Court,  
19 just like I know it is the hope of all the family members and  
20 friends of yours who are here. So I wish you the best of  
21 luck. We can be adjourned in this matter, if there is  
22 nothing further.

23 THE CASE MANAGER: Please rise. Court is in  
24 recess.

25 (Proceedings concluded at 11:10 a.m.)

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## CERTIFICATION

I, Robert L. Smith, Official Court Reporter of the United States District Court, Eastern District of Michigan, appointed pursuant to the provisions of Title 28, United States Code, Section 753, do hereby certify that the foregoing pages comprise a full, true and correct transcript taken in the matter of UNITED STATES OF AMERICA v. ANTHONY ADAMS, Case No. 18-20641, on Thursday, the 4th day of November, 2021.

s/ Robert L. Smith

Robert L. Smith, RPR, CSR 5098  
Federal Official Court Reporter  
United States District Court  
Eastern District of Michigan

Date: 05/14/2022  
Detroit, Michigan